IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

ARBITRATION PETITION NO.20 OF 2004

Jagannath M.Sinai Sirdoncar ....Petitioner

V/s.

SSKI Investors Services Pvt.Ltd. ....Respondent

Mr.Ajay Khandhar for the Petitioner.

Mr.D.D. Madon i/b Hemang Jariwala for the Respondent.

CORAM : S.J. VAZIFDAR, J.
DATED : 11TH OCTOBER, 2004.

P.C. :

1. This is a Petition for setting aside an award dated 9th April, 2003 passed by the learned Arbitrators and an award dated 30th August, 2003 passed in Appeal under the Rules, Bye-Laws and Regulations of the Stock Exchange Manual.

2. The Petitioner's case is that the Petitioner had various transactions with the Respondents and one of its sister concerns namely Ishwarlal International Pvt. Ltd. The transactions pertained to the Bombay Stock Exchange and the National Stock Exchange. It is

alleged that the Petitioner had a credit balance in the account maintained in respect of the transactions carried out at Bombay Stock Exchange and a debit balance of Rs.31,00,000/- in respect of the transactions carried out on behalf of the Petitioner in the National Stock Exchange.

3. Mr.Khandhar, the learned counsel appearing on behalf of the Petitioner submitted that the arbitrators had no jurisdiction to pass the award in as much as they did so by adjusting the accounts between two stock Exchanges inter-se.

4. The learned arbitrators considered this aspect of the matter in great detail. They held that there was an implied promise on the part of the Petitioner to meet the outstanding liability by allowing transfer of balance from the NSE account to the BSE account. I am unable to state that this finding of fact is either absurd or unsustainable. Indeed, as I shall presently demonstrate, the conclusion of the learned arbitrators is well founded.

5. The learned arbitrators have also for this purpose considered and construed an agreement entered into between the parties dated 1st April, 2002. Under

clause 1 of that agreement, the parties were entitled to set off and adjust such dues. The arbitrators have relied upon the same in respect of their conclusions. I am in respectful in agreement with the finding of the learned arbitrators in this regard.

6. In fact no prejudice is caused to the Petitioner. That the amounts are due in respect of the transactions pertaining to the NSE is clear. Mr.Madon, the learned counsel appearing on behalf of the Respondents on taking instructions fairly stated the position that the amounts which are the subject matter of the award, will not be claimed by the Respondents in respect of any transactions pertaining to the National Stock Exchange.

7. In the circumstances, the Petition is dismissed.

. Parties to act on an ordinary copy of this order duly authenticated by the Chamber Registrar/Court Stenographer of this Court.